DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES

Presentation to the 2009 Legislative Health and Human Services Joint Appropriation Subcommittee

Technology Services Division
Department of Public Health and Human Services
Legislative Fiscal Division Budget Analysis, Volume 4, Page B-157 to B-169

CONTACT INFORMATION

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FUNDING AND FTE INFORMATION

FTE: 57.10
(Please see attachment A for responses to subcommittee vacancy savings questions)

2011 Biennial Request: $42,408,093

General Fund: $17,129,037   (40.4%)

Funding: The TSD is funded through a combination of general fund, state special revenue funds and federal funds. The funding split for the division uses various allocation methods based on the types of services provided to the agency. These services include network connectivity, system design and maintenance, hardware and software support, and technology administration.

	2009 Biennium	2011 Biennium	% of Total	Difference	% of Difference
FTE	57.10	57.10		0.00	
Personal Services	7,443,428	7,589,651	17.9%	146,223	4.8%
Operating	31,049,538	32,888,634	77.6%	1,839,096	60.5%
Equipment	345,287	690,574	1.6%	345,287	11.4%
Grants	0	750,000	1.8%	750,000	24.7%
Debt Service	532,148	489,234	1.2%	(42,914)	-1.4%
	39,370,401	**42,408,093**	**100.0%**	**3,037,692**	**100.0%**
General Fund	15,415,747	17,129,037	40.4%	1,713,290	56.4%
State Special Fund	1,749,562	2,190,426	5.2%	440,864	14.5%
Federal Fund	22,205,092	23,088,630	54.4%	883,538	29.1%
	39,370,401	**42,408,093**	**100.0%**	**3,037,692**	**100.0%**

OVERVIEW

The Technology Services Division is responsible for the management, implementation and operations of information technology (IT) systems and infrastructure that directly support programs of the Department of Public Health and Human Services.

The Administrator of the division, who also serves as the department Chief Information Officer (CIO) is responsible for implementing strategic IT goals and objectives for the department.

TSD's mission is to provide state-of-the-art support in operational and technological areas critical to the efficient and effective implementation of Department programs.
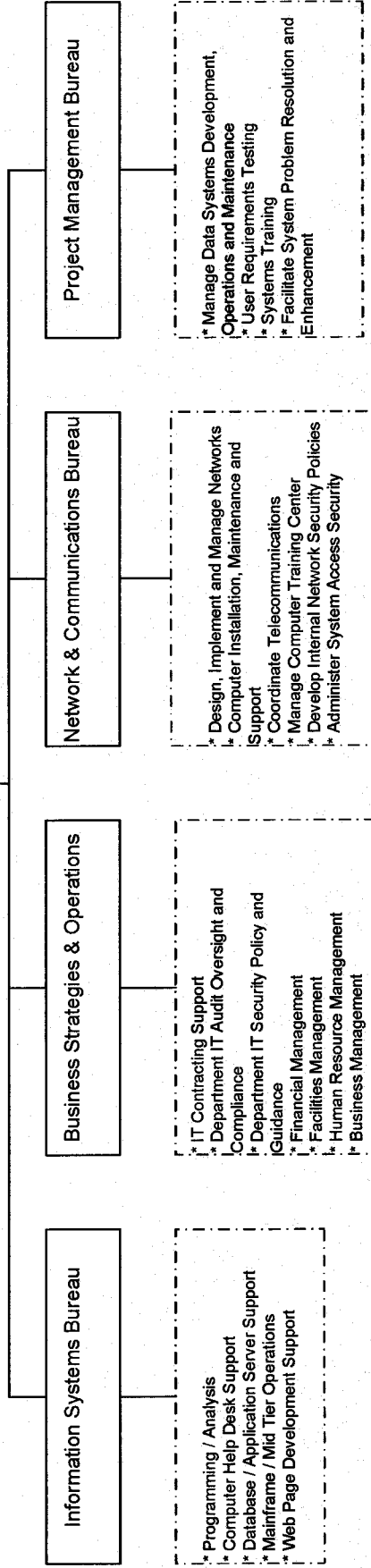
TSD by the Numbers:

• Department Staff and Contractors Served State-Wide (PCs)	• 3,500
• Servers Administered and Supported	• 129
• IT Systems Managed and Supported	• 91
• Montana Citizens Served	• >80,000
• Offices Supported Statewide (OPA, WIC, WoRC, Child Support, Child Welfare, etc.)	• 147

Department of Public Health and Human Services
Technology Services Division

Technology Services Division

TSD Administrator /
Department CIO

Information Systems Bureau

* Programming / Analysis
* Computer Help Desk Support
* Database / Application Server Support
* Mainframe / Mid Tier Operations
* Web Page Development Support

Business Strategies & Operations

* IT Contracting Support
* Department IT Audit Oversight and Compliance
* Department IT Security Policy and Guidance
* Financial Management
* Facilities Management
* Human Resource Management
* Business Management

Network & Communications Bureau

* Design, Implement and Manage Networks
* Computer Installation, Maintenance and Support
* Coordinate Telecommunications
* Manage Computer Training Center
* Develop Internal Network Security Policies
* Administer System Access Security

Project Management Bureau

* Manage Data Systems Development, Operations and Maintenance
* User Requirements Testing
* Systems Training
* Facilitate System Problem Resolution and Enhancement

SUMMARY OF MAJOR FUNCTIONS

The Technology Services Division is made up of four bureaus that provide a wide range of IT services including:
- Computer programming
- Computer help desk functions
- Database support
- Web development
- Enterprise architecture
- Project management
- IT contract management
- Data security
- PC and network support services.

2009 BIENNIUM GOALS AND OBJECTIVES

1. **Goal**: Replace obsolete department data systems efficiently.

    a. **Objective**: Provide state of the art support in technological areas critical to the efficient and effective development, implementation, enhancement and maintenance of major department data systems

    b. **Measurement**: Keep all development projects at a "green light" status with the State CIO's office at least 70% of the time; Zero Development failures on major Dept systems (failures are defined as projects that significantly fail to meet sponsor needs due to cost, schedule or functionality problems).

    c. **Status**: As of October 2008, all projects were considered "on track" by the Legislative Finance Committee's workgroup on performance measures. The systems monitored throughout the 2009 biennium interim were:
        a. CHIMES – the Combined Healthcare Information and Montana Eligibility System
            i.   Medicaid component
            ii. Temporary Assistance for Needy Families (TANF) eligibility system component
            iii. SNAP – the Supplemental Nutrition Assistance Program component (formerly called the Food Stamp Eligibility System)
        b. MACWIS – the Montana Automated Child Welfare Information System (formerly CAPS)

ACCOMPLISHMENTS AND BARRIERS ENCOUNTERED DURING THE 2009 BIENNIUM:

- Accomplishment #1: Formation of an Agency PMO
  The Project Management Bureau (PMB) was formed as the first Project Management Office (PMO) for DPHHS. The mission of a PMO is to provide centralized and coordinated management of projects. The necessity of establishing a PMO organization based on industry standards and practices became imperative as $60 million was appropriated in the last session for the replacement of several mission critical human service systems. The Department's PMO, in cooperation with the State level PMO, will ensure the success of information technology projects with qualified project management and business analyst professionals.

- Accomplishment #2: System Replacement Projects
  Several legacy systems that support some of the Department's most mission critical human service systems have reached the end of their life and are in need of replacement. A request to the last legislative session resulted in the appropriation of $60 million to replacement eligibility systems for Medicaid, SNAP (Supplemental Nutrition Assistance Program) and TANF (Temporary Assistance for Needy Families) and the Child Welfare System with new modern state-of-the-art systems designed to increase services and reduce costs.

  These systems are used by more than 500 public assistance and child welfare workers to provide services to more than 80,000 Montanans who are in need. Since the last session, significant progress has been made to secure federal approval and matching funds, write requests for proposals (RFPs), create detailed requirements, and develop and test major system components.

- Accomplishment #3: Implementation of Laptop Encryption
  Since the last session, the Department has implemented policies, procedures and software that have resulted in the encryption of all agency laptops. It is paramount to protect the potentially sensitive information (e.g. personal identifiers and service information) that the Department is charged with maintaining. Part of this protection effort includes encrypting the data on all laptops, which may travel with an employee to remote work locations and regional job sites.

  If laptops with sensitive information are stolen, as has happened in recent notable cases throughout the U.S. and the world, it is imperative that the information on these laptops not be accessed and used for illicit purposes. Every Department laptop currently has its information encrypted and only available to authorized individuals.

  Encrypting laptops is the first step towards securing our mobile devices. In addition to laptops, there is a need to encrypt USB devices. As technology advances and additional mobile devices are purchased, these too will need to be encrypted to meet federal and state data security requirements.

Department of Public Health and Human Services Technology Services Division
Goals and Objectives for the 2011 Biennium Submitted September 15, 2008

Goal #1

Ensure that information technology resources are efficient, responsive, secure, cost-effective and available when needed.

Objectives	Measures
Continually work to provide state of the art support and services to our customers by knowing what our customers want/need and deploying best practices and technology to meet these needs.	• Customer satisfaction surveys conducted quarterly for new system development and semi-annually for other services will receive ratings of "agree" or "strongly agree" 85% of the time. • Keep all development projects at a "green light" ("on track") status with the State CIO's office at least 70% of the time.

DECISION PACKAGES

The TSD has requested five decision packages from the 2009 Legislature. These requests include $341,000 in present law adjustments and $921,000 in new proposals.

Present Law Adjustments:
- DP 90102 - TSD Office Rent COL Increases – **PLA page B166**
  - This decision package requests rent increases for the relocation of two Network and Communications Bureau staff, the two DPHHS training rooms currently located at the old aviation support building, the programming unit of the Information Systems Bureau, and the Business Strategies and Operations Bureau
    - FY2010 $131,964 Total $52,901 General Funds
    - FY2011 $127,666 Total $50,911 General Funds

- DP 90104 - USB Device Encryption – **PLA page B167**
  - State and federal policy require departments to secure information and data accessed and stored by computer. This decision package will allow the agency the ability to limit user's access to Universal Serial Bus (USB) devices through an encryption program.
    - FY2010 $34,166 Total $14,558 General Funds

- DP 90528 - Restore overtime/holidays worked – **PLA page B167**
  - The department supports several large database systems, including the Montana Access Program, which must be available 24 hours per day, seven days per week. This decision package requests restoration of funding for those costs incurred for on-call staff.
    - FY2010 $23,983 Total $9,126 General Funds
    - FY2011 $23,983 Total $9,126 General Funds

New Proposals:
* DP 90227 - NEDSS Base system (NBS) – **NP page B168**
    * The National Electronic Disease Surveillance System (NEDSS) supports routine surveillance activities associated with the rapid reporting of disease trends to control outbreaks
        * FY2010 $86,930 Total $37,754 General Funds
        * FY2011 $84,430 Total $36,668 General Funds

* DP 90600 - Health Information Technology – **NP page B168, OTO Biennial**
    * This decision package requests funding to develop a statewide health information technology (HIT) pilot project.
        * FY2010 $750,000 Total $750,000 General Funds

SIGNIFICANT ISSUES

Projects in Progress:
* The major computer systems used in the agency are nearing or have reached their anticipated life span. The division has received funding through the Long Range Information Technology (LRIT) plan to procure services for the replacement of TEAMS and CAPS.
* TEAMS will be split into three systems
    * CHIMES Medicaid – Medicaid eligibility determination
    * CHIMES TANF – Public assistance eligibility determination and payment
    * CHIMES SNAP – Food stamp eligibility determination and payment

New Project Requests:
* System replacement for MMIS is being requested through the LRIT bill
    * Base funding for MMIS is located in the Director's Office budget
* Funding for the planning costs for the replacement of SEARCHS is being requested through the LRIT bill

FTE Issues:
* The TSD experiences significant difficulties in recruitment of information technology related positions such as computer programmers, database analysts, and computer support technicians. These positions can be vacant for up to 12 to 18 months at a time.

PROPOSED LEGISLATION

The TSD does not have any proposed legislation.

The following bills could have potential impact to the division:

Departmental Bills:
* HB10 -   Long range information technology funding bill

- HB157 -   Implement healthy kids montana

Other Bills:
- HB86 -   Fund health information technology and record sharing
- HB155 -   Require state agencies to develop procedures to protect personal information
- HJR5 -   Support funding for health information technology

LIST OF SIGNIFICANT DEPARTMENT INITIATIVES

The significant initiatives that will be tracked and reported on from a Department-wide point of view are:

- **Home and Community Based Services Expansion**
  - Senior and Long Term Care Division
- **Healthy Montana Kids**
  - Health Resource Division
  - Human and Community Services Division
- **Family Economic Security Grant**
  - Human and Community Services Division
- **Autism Waiver**
  - Disability Services Division
- **Medicaid for Workers with Disabilities**
  - Health Resources Division
  - Disability Services Division
- **Goal 189 for Montana State Hospital Census**
  - Addictive and Mental Disorders Division
- **Immunization**
  - Public and Health Services Division
- **Family Planning**
  - Health Resources Division
  - Public and Health Services Division

Attachment A

To: Health and Human Services Subcommittee
               Representative Teresa Henry, Chair

From: Technology Services Division

Date: January 23, 2009

Re: Questions from the Subcommittee on vacancy savings and retirement

This table provides the answers to all of the questions. This data is as of January 15, 2009

TSD		Interviewing	Division Administrator	1.00
		Vacancy Savings	Network Systems Analyst	1.00
		Will be advertised shortly	Computer Security Specialist	1.00
			Computer Supervisor	1.00
			Information Systems Spec	1.00
			Oracle Practice Manager	1.00
TSD Total				6.00

Question #2 **How many positions would have to be held open to make the 4 percent vacancy savings? (Annual number) What groups of positions are most likely to be open and what do they do? See LFD Analysis, page B-166.**

FY09
57.10 FTE X 4% = 2.28 FTE (Based on the assumption that all FTE are funded proportionally)

(Page B-166) – The vacancy report does not give a specific type of position that is commonly vacant. However the division states that all computer classification positions held within the TSD are difficult to recruit for. These include Computer Programmer, Computer Support Technicians, Business Analyst, Project Manager, Computer Security Specialist, and Network Systems Analyst positions. Of the 6.00 positions that are currently vacant; these positions make up 100% of the current vacancies.

Question #3 **What is the division's total 7 percent vacancy savings and how many positions would have to be held open to make the 7 percent vacancy savings? What additional positions (by group) are most likely to be open and what do they do? List only the additions to the 4 percent list.**

FY09
57.10 FTE X 7% = 4.00 FTE (Based on the assumption that all FTE are funded proportionally)

Additional open positions needed to achieve the 7% vacancy savings will likely be similar or the same types of positions as those listed in response to Question #2 above.

Question #4 Of the division's anticipated retirements, what positions do the retirees hold? Is the estimated payout still in line with the estimates on page B-4 of the LFD Analysis?

The division's employees eligible for full retirement retirements based on projections using the data provided by DOA are 32 FTE for the biennium. The anticipated compensated absence liability of $24,444 is still in line with the estimates on page B-4 of the LFD analysis. The following table shows the retirements that have occurred in the past two fiscal years in general job categories.

Management	Pay Bands (7,8,9)	50%
Professional/Program	Pay Bands (5,6,7)	50%
		100%

Question #5 Would the division make cuts in the operating budget to meet vacancy savings? Please identify.

If needed to achieve the target amount of vacancy savings, the division can consider reductions in travel, training, equipment purchases and other discretionary operating costs. All operating budget reductions for this purpose will be subject to the review and approval of the agency senior management team in light of overall agency priorities.

The division has already submitted a 5% Reduction Plan to the OBPP in preparation for the 2009 session which will be used to guide the initial division fiscal reductions if it becomes necessary.

Question #6 If the division should have to make cuts to services, which services would be reduced first? Does the division have the authority to eliminate any programs during the interim? Please list the programs.

Elimination of programs and services is not at the discretion of the division. If program or services reductions are required, the DPHHS senior management team will assess the agency priorities; critical service needs, federal and state mandates, as well as fiscal targets, and make recommendations to the Governor for his consideration.